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LABOR EXCHANGES

AN ARTICLE

SUGGESTING

“A NATIONAL SYSTEM OF LABOR EXCHANGES”

BY

JOHN B. ANDREWS

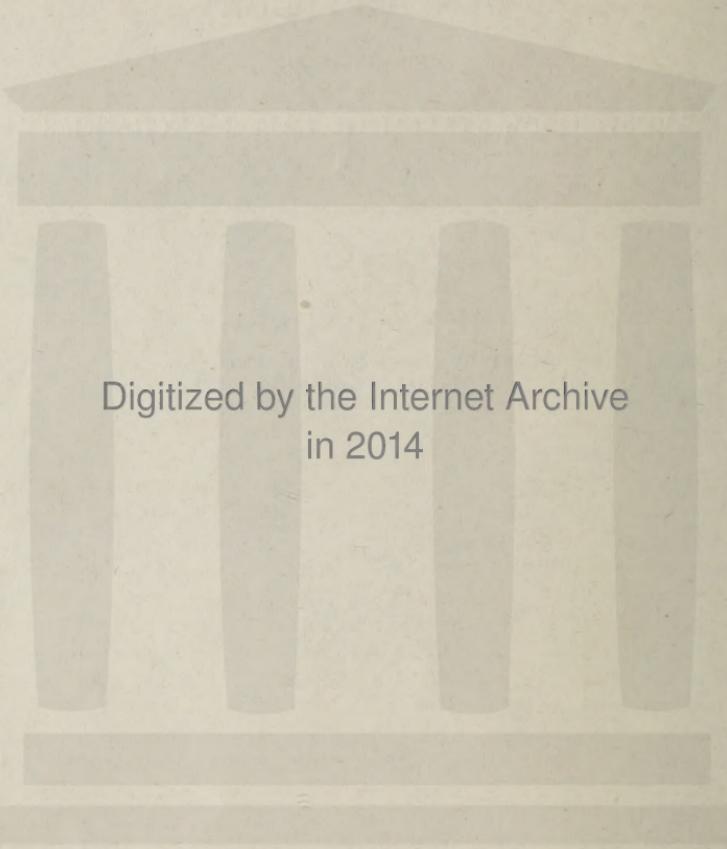
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LABOR LEGISLATION



PRESENTED BY MR. KERN

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A NATIONAL SYSTEM OF LABOR EXCHANGES. --- ---

By JOHN B. ANDREWS.

“The first step toward a solution of the problem of unemployment is the organization of a connected network of public employment exchanges.”

This was the most emphatic point in the resolutions adopted by the First National Conference on Unemployment when it summed up the results of its two days' deliberations in New York last February. The conference, held under the joint auspices of the American Association for Labor Legislation and the American section of the International Association on Unemployment, was composed of delegates from 25 States and 59 cities. Among those who took part were representative trade-unionists, employers, economists, and Government officials. Their reports on the state of employment in their respective localities formed a solid foundation for the discussion of constructive remedies. The conference not only made suggestions for further investigation and recommendations for expansion and improvement of State and municipal labor exchanges, but voted unanimously to urge that in the Federal Department of Labor there be established a bureau “with power to establish employment exchanges throughout the country, to supplement the work of State and municipal bureaus, to act as a clearing house of information and promote the distribution of labor throughout the country.”

Shortly after the conference in February the New York Board of Aldermen adopted an ordinance providing for a municipal employment bureau in the chief city of the country. The office, opened for business on November 19, 1914, is the best equipped in America. Mr. Walter L. Sears, for eight years head of the Massachusetts system, is its efficient superintendent. The State legislature in New York, also, at its session closing at the end of March passed a bill which provides for a State system of free employment bureaus. Other cities and States have for many years been developing similar agencies, and the question now before the country is that of forging into the chain the necessary third link—a Federal system of public labor bureaus to cooperate with the State and municipal exchanges.

I.

It is apparent to any one who knows anything about the subject that our labor market is unorganized and that there is a tremendous waste of time and energy in the irregular and haphazard employment of workers. It is this very great social waste which we are just beginning to appreciate, but every method for overcoming it so far tried in America has been painfully inadequate.

The first and simplest method of bringing workmen and work together is by unsystematic individual search. A man not recommended for a position by a relative or friend often follows the easiest course, that which involves the least immediate expenditure of money and thought. He starts from home and drops in at every sign of "Help wanted."

"Help wanted," scrawled on a piece of cardboard, is the symbol of inefficiency in the organization of the labor market. The haphazard practice of tramping the streets in search of it is no method at all. It assures success neither to the idle worker in his search for work, nor to the employer in his search for labor. On the contrary, by its very lack of system, it needlessly swells the tide of unemployment, and through the footwears, discouraging tramping which it necessitates often leads to vagrancy and to crime.

It is impossible to reckon the cost to the community of this methodless method. Beyond the tremendous waste of time, there is the waste incurred by putting men into the wrong jobs. The law of chance decrees that, under such lack of care, misfits must be the rule; and society now permits the daily process of attempting to fit a round peg into a square hole.

A second common method of connecting employer and employee is through the medium of advertising. About 2,000 newspapers published in New York State carry every year some 800,000 columns of "Help wanted" and "Situation wanted" advertising, at a cost to employers and employees estimated at \$20,000,000—an expenditure of about \$5 for every worker in the State. If the money spent brought commensurate results, there would be less ground for complaint. But at present an employer advertises for help in several papers, because all the workers do not read the same paper. The employee lists the positions advertised, and then starts on the day's tramp. At one gate fifty or a hundred men may be waiting for a single job, while in other places a hundred employers may be waiting, each for a single employee. Unnecessary duplication of work and expense by both parties is apparent. In addition to the expense, newspaper advertising also possesses inherent possibilities of fraud—210 formal complaints of this particular sort have been investigated by the New York City commissioner of licenses in one year. It is difficult for the newspaper, even if it always tries, to detect misrepresentations, and misrepresentation breeds distrust. The victimized employee very rarely seeks legal redress. Either he is ignorant of his rights, or the game is not worth the candle to a man who owns but one property—labor—upon the continuous sale of which he is dependent for existence.

Philanthropic employment bureaus fail mainly because of the taint of charity which justly or unjustly clings to them, and have become for the most part merely bureaus for placing the handicapped. Self-reliant workmen are inclined to shun such agencies, and employers do not generally apply there for efficient labor. Charging small fees or none at all, these offices are unable to compete with the more active private agencies which spend large sums of money developing clienteles among employers and employees. Trade-union "day rooms" and offices maintained by employers' associations have to contend with mutual distrust, while their benefits are at best limited to one trade or industry.

Private employment agents, doing business for profit, have sprung up in all large centers, no fewer than 800 of them being licensed in New York City alone. While many of these operate with a reasonable degree of efficiency, their general character is picturesquely if not elegantly indicated by their soubriquet, "employment shark." In the year ending May 1, 1913, the commissioner of licenses of the city of New York reported the investigation of 1,932 complaints against registered employment agents, resulting in 9 convictions, the refunding of more than \$3,000 to victimized applicants, and the revocation of 13 licenses. Among the worst evils laid at the door of the private agencies are charging extortionate fees, "splitting fees" with employers who, after a few days, discharge a workman to make way for a new applicant with a new fee, collusion with immoral resorts, sending applicants to places where there is no work, and general misrepresentation of conditions.

Only recently the writer heard from a northern New England labor official a harrowing story of the lumber camps, where workers had been sent from private agencies in New York and were fined and imposed upon to an extraordinary degree. Eight men, including a printer, a painter, and a clerk, were sent by another New York private employment agent to what was described in their contracts as "construction work, machinist, and contract work." The men found themselves in a Pittsburgh steel mill before the furnaces. Physically unable to do the work required of them, they had to apply to the office of associated charities for assistance in finding work at their trades. Although an investigation was made, New York State was unable to take any action, as none of the complainants was within its jurisdiction. Such examples could be multiplied almost indefinitely.

Public employment bureaus, designed partly as an offset to the abuses of the private agencies, date in America from 1890, when Ohio authorized the first State system. To-day there are between 70 and 80 such bureaus, maintained by 19 States and by a dozen or more municipalities. These offices (with one backward exception) charge no fees, maintain a neutral attitude in time of labor disturbances, and fill positions, according to the official reports, at a cost ranging from 4 cents to \$2 apiece. In Wisconsin, where there are four State exchanges, well organized on the most approved lines, the cost in 1911 was about 35 cents per position filled. In Illinois, during the 12 years, 1900-1911, there were 589,084 applications for employment, 599,510 applications for workers, and 512,424 positions filled. Illinois now appropriates over \$50,000 a year for direct support of its State labor exchanges, of which eight have already been established.

Notwithstanding the work of a few, these public bureaus are still far from furnishing an adequate medium for the exchange of information on opportunities for employment. Fewer than half the States are represented. Many of the managers are political place holders of worse than mediocre attainments. Some of the offices exist only on paper. A uniform method of record keeping has yet to be adopted. Statistics are noncomparable, and frequently unreliable if not wholly valueless.¹ There is practically no interchange of information between various offices in a State or between States. In short, work-

¹ Mr. Solon De Leon furnishes an admirable and crushing analysis of existing statistics, in the American Labor Legislation Review for May, 1914.

men are still undergoing want, hardship, and discouragement even though often within easy reach of the work which would support them, if they knew where to find it.

Nor does the evil end there. Everyone who has studied the problem realizes that method and system in putting men and opportunities for work in touch with each other will not of themselves prevent oversupply of labor or of jobs. They will do so no more than the cotton exchange guards against an over or an under supply of cotton. They will serve merely as levelers in the scales of labor supply and labor demand. Besides the unemployment which is due to the failure of men and jobs to find each other, there is much due to other causes which even the best system of employment exchanges would not directly eliminate.

But everyone realizes that these other causes of unemployment can not be successfully attacked without a basis in comprehensive, conscientiously collected information such as can not be furnished by our present machinery for dealing with the problem. Under present methods there exists no automatic, cumulative means for collecting the facts. That results, of course, in exaggerated statements in both directions. Our paucity of information on this complex and vital question has continued, even though labor problems in one form or another have taken the lead as subjects for legislation. Any scientific lawmaking on the programs of social insurance—especially unemployment insurance—and of vocational guidance must be grounded on facts of relative employment and unemployment of the workers tabulated by trades, by sexes, and by ages. Without a nation-wide system of labor exchanges, no basis can exist for anticipating in an accurate manner the ebbs and flows of the demand for labor. Without concentration of the information now collected and now held separately in thousands of separate organizations throughout the land, the possibility of looking into the future, or of profiting by the past, is out of the question.

II.

It was a growing realization of the foregoing facts which inevitably led to the demand for a Federal system of public employment bureaus. Such a system would cover the whole country. Without superseding either the State or the municipal exchanges already in existence, it would supplement and assist the work of both, dovetailing them with its own organization into an efficient whole. Country-wide cooperation and exchange of information would then be an accomplished fact instead of merely a hope. Statistics for the study of unemployment and for the progressive development of new tactics in the campaign against it would be coextensive with the national boundaries and comparable between different parts of the Nation. The regulation of private agencies would be a natural function of the Federal bureaus, and the troublesome "interstate problem" would be solved by an interstate remedy. Finally, the greater resources at the disposal of the Federal Government would provide better facilities for carrying on the work than the States could provide, and would command the services of more able social engineers than are found in most of the State exchanges at present.

To the question of whether such a system is feasible, the answer is that Great Britain already has one. The successful British national labor exchanges, established by the act of September 20, 1909, already form the most thoroughly organized and most widespread system of their kind in the world. Work was begun in February, 1910, with 82 agencies. By July, 1913, in the eight administrative districts into which the country was divided there were 430 agencies, staffed by full-time officers, with which were connected 1,066 local agencies for the administration of unemployment insurance. The total regular staff of these 1,496 offices was 3,536 persons, of whom about 600 were women.

The following table shows the number of applications for employment, the number of vacancies notified by employers, and the number of vacancies filled, for specified months since the system has been in operation:

Growth of operations of British labor exchanges, by specified months.

Month.	Applications for employment.	Vacancies notified by employers.	Vacancies filled.
March, 1910.....	126,119	20,395
March, 1911 ¹	142,382	47,811	37,711
March, 1912.....	178,317	72,650	55,650
March, 1913.....	209,901	95,862	68,783
March, 1914.....	222,204	99,089	74,578

¹ Five weeks.

The following table shows the usefulness of the exchanges for the first four years of their existence:

Growth of operations of British labor exchanges, by years.

Year.	Applications for employment.	Vacancies notified by employers.	Vacancies filled.
1910 ¹	1,590,017	458,943	374,313
1911.....	2,010,113	886,242	719,043
1912.....	2,423,213	1,286,205	1,051,861
1913.....	2,739,480	1,158,391	874,575

¹ Eleven months.

The percentage in 1912 of vacancies filled to vacancies notified was 77 per cent (men, 81.1; women, 73.2; boys, 67.4; girls, 73.4).

In Germany there are 323 public bureaus, all maintained by municipalities, it is true, but bound together in a national system which harmoniously operates throughout the Empire. In France and in Switzerland also, not to mention other less important countries, Government subsidies are offered to local exchanges which conform to certain national laws. The suggestion of a national system of public employment offices for this, perhaps the most highly developed industrial nation of the world, comes therefore not as an untried notion, but as a workable, proved possibility. The only question is one of method.

To combine into an efficient organization the results of the ripest experience, a national bureau of employment should comprise three main divisions: (1) The central office at Washington, (2) a number of district clearing houses, and (3) the local labor exchanges.

Let us briefly sketch the special functions of each.

The central office, from its vantage point in the National Capital, and as an integral part of the Federal Department of Labor, would have the task of organizing the entire system, coordinating its various elements, and supervising its operation. The first activity in connection with such a national bureau is the establishment and conducting of public labor exchanges. These should be built up, with careful regard to existing State and municipal bureaus, as rapidly and in as many parts of the country as circumstances require and as finances permit. The number and location of exchanges need not be constant, but can be varied in accordance with the needs of the labor market, inactive offices being closed and new ones being established in promising localities. Nor should the bureau be limited to establishing its own agencies. Very frequently exchanges are initiated by States or municipalities, which occupy strategic points but which through shortage of funds or perhaps through improper management do not make a "go"; these the Federal bureau should be able to take over at its discretion, by mutual agreement. Whether private agencies should also in some cases be taken over is less certain, but there are arguments in favor of that. Still another possibility is that of joint action by the Federal bureau and an interested State, county, or city, to maintain in cooperation an employment bureau where needed, each furnishing part of the funds. Such an arrangement has for several years existed between the State of Wisconsin and the city of Milwaukee with results eminently satisfactory on both sides. State agricultural or immigration departments might also be eager to enter into an agreement of this nature.

A second large duty of the Federal bureau would be that of cooperating with, encouraging, assisting, and to some extent regulating all the public employment offices conducted by other subdivisions throughout the country—State, county, town, or village. The lack of cooperation, the failure to interchange information of vital importance to workmen and employers, is one of the sad features of the public employment bureau situation at the present time. Here is a great field for the standardizing activities of a Federal bureau. The scattered public agencies must be brought into full cooperation with the Federal system and with one another. Information of industrial opportunities must no longer be locked within the four walls of each office, but must flow freely to other offices and to other States. In the hands of the proposed Federal bureau more than in any other agency lies the opportunity of bringing order out of the present chaos. It could devise, in cooperation with public employment officials, a standard record system, encourage its adoption by the various agencies, and assist them in installing it. It could encourage the adoption of a uniform method of doing business and of appraising results. There is even a suggestion that the Federal Government offer a money subvention to State and city exchanges which conform to the Federal rules, as in France and Switzerland. If this step is inadvisable, the same result might be attained by penalizing non-conforming exchanges by refusing to cooperate with them.

A third duty of a Federal employment bureau would be the division of the country into districts and the inauguration therein of district clearing houses. The United Kingdom, with an area only one-twenty-fifth as vast as ours, has been divided for the purposes of administering its employment bureau system into eight districts—six for England and Scotland, one for Wales, and one for Ireland. The duties of clearing houses in the American system will be discussed later.

Fourth among the duties of the central office would be to carry on a campaign of the fullest possible publicity on the condition and fluctuations of the country's labor market. For this campaign it would draw upon the information contained in the short-interval reports of the local exchanges and of the clearing houses, and it should also be empowered to engage, in localities where neither of these exist, special correspondents. The information of labor supply and demand thus secured could then be compiled and published in a number of attractive ways which opportunity and ingenuity will suggest.

Periodical bulletins should present "the information gathered through the labor exchanges about the state of the labor market in different parts of the country," and should combine therewith other facts essential to the workman who is considering a position. Chief among these facts may be mentioned wage rates and cost of living in the different districts, expansion or decay of trades or industries, important strikes and lockouts, business booms or depressions, and any other occurrences tending toward either abnormal undersupply or oversupply of labor. The bulletin and other information should be printed in such languages as will most enhance their usefulness.

The fifth and last important function of a Federal employment bureau is the troublesome one of regulating private employment agencies. The American Association of Public Employment Offices, at its second annual convention in September, 1914, went on record as recommending the abolition of all such offices operating for profit. An initiated measure which would accomplish practically the same result was carried at the November election in the State of Washington. Whether we are yet prepared to go as far as that, considering the inadequacy of our present public employment bureaus, is disputed by many students of the problem; but in no quarter is there lack of recognition of the need for stringent regulation. Agencies which confine their operations to jobs and men within the State are under State jurisdiction. But these are only a small part of the total number. Most private bureaus engage also in "the business of securing work to be performed outside the State where the business is carried on and which involves the transportation of the workman from one State to another." Engaging in such interstate business brings an agency properly under Federal control.

The district clearing houses already mentioned are quite distinct from the local labor exchanges, and must not be confused with them. The clearing house finds no positions. Its functions are to exchange information between the local exchanges, and between other correspondents in its district, to receive daily reports from all public exchanges within its jurisdiction, and reports from private agencies at least weekly, and to compile and publish these data for its district. It also carries on an interchange of information with the clearing houses in other districts. It is the channel through which

all the offices in its district would keep in constant touch with the national headquarters, and also through which information from Washington would reach the district.

The functions of the ultimate units in this system, the local labor exchanges, may all be summed up in the words "bringing together workmen of all kinds seeking employment and employers seeking workmen." The good superintendent of a public employment office will not wait behind his counter for employers and employees to hunt him up and to use his office as a medium for coming together; he will take active steps in the process. By judicious telephoning, issuing circulars, newspaper advertising, newspaper publicity, and in other ways he will constantly bring his office to the attention of those who should use it. He will build up a clientele among both parties to the labor contract. In the projected system he should report daily on a uniform blank to the clearing house of his district, which in due season would submit the report to the national headquarters.

Thus the jurisdiction of the projected Federal bureau would extend throughout the country over every organized interstate agency for the securing of employment or of workers. Not only its own and other public officers would be amenable to its regulation, but also private money-making enterprises and philanthropic bureaus, in so far as their activities transcended State borders. In addition to its regulative activities, it would operate exchanges on its own account, build up a clearing-house system for employment information, and publish and distribute that information as widely as it could. In short, in the words of Mr. Frank P. Walsh, an advocate of the system, it would "do everything possible to aid in securing the fullest application of the labor force of the country."

In the foregoing hasty summary of the functions of the various essential parts of a national system of employment bureaus, much administrative detail has naturally been omitted.

In selecting the director of so powerful and important a bureau great care would have to be exercised to secure a man of impartiality, character, and ability. The New York State employment bureau law requires that the director must have "recognized executive and managerial ability, technical and scientific knowledge upon the subject of unemployment and administration of public employment offices, and recognized capacity to direct investigations of unemployment and public and private agencies for remedying the same." Under this provision there was selected as director of the State bureau one of the best equipped men in the country, Mr. Charles B. Barnes. Some such group of qualifications should be embodied in a law establishing a Federal system.

The director, superintendents of clearing houses, and of branch offices, and all other employees should be under civil service. They should be able to feel secure in their positions as long as their work is faithful and up to the mark. The salaries, however, should most emphatically not be rigidly fixed by law. As a device for killing incentive and interest, and for turning out a body of chair-warmers, a salary fixed by statute and incapable of increase for merit or of decrease for inefficiency has no equal. The rates of pay for subordinates should—within limits, of course—be in the hands of the appointing authority, who can then reward efficiency or penalize its opposite.

Reports of the local exchanges to the clearing houses must be made daily if the information is to be fresh enough to serve any useful purpose. The farmers of the country would little thank the weather man for a neatly lithographed forecast of last week's weather; and a detailed arithmetical report on how many jobs or workers might have been had at some previous date will be just as little helpful to industrial managers or to employees.

The administrative difficulties which would beset the operation of a system like that here projected would be many. Among the most serious would be that of maintaining a strict balance of impartiality between employers and employees. The establishment of State employment offices has on the whole been favored by workmen, on the ground that it would do away with the abuses perpetrated by the private agencies, and has been opposed by employers on the ground that it would be unduly coddling labor. In the matter of a national system for the United States, however, the main opposition has come from the side of organized labor, which has apparently feared control of the system by the employing class. "Beware of the Greeks when they come bringing gifts," warned President John H. Walker of the Illinois State Federation of Labor, when the project was broached at the New York conference on unemployment. And he continued: "You know we have been double-crossed and deluded so often that when anything is held out to us the first thing we look for is to see where we are going to get the worst of it; and one of the first things that came to my mind was that it was possible that these well-intentioned people, taking an interest in this question of unemployment, might organize the labor exchange bureaus in such a way that the entire unemployed army would be mobilized and that the employers would have such access to it as to be enabled to use it at any point, at all times, to break down the things that the organized workers of the country have already established by fighting for them hard and long." Mainly through Mr. Walker's efforts, the resolutions adopted in favor of a Federal system contained the proviso that "such distribution shall not cause the deterioration of the present standards of wages, conditions and hours of employment of American workers, or impair their efforts to improve them."

In order to prevent distrust of this sort, which would cause friction and impede the work of the bureau, there should be for the central office and for each of the local exchanges a "representative committee." A representative committee should consist of equal numbers of employers and employees, elected by their respective groups, and should have a disinterested chairman selected by the other representatives jointly. The committees would assist the director and the superintendents in determining policies and in selecting employees for the offices, insure impartiality in labor disputes, prevent the bureau's being used to depress or unduly elevate wages, and aid in all other matters relating to the management of the bureau. The importance of such committees in gaining public confidence for the bureau can not be overestimated. It was recognized by the British labor exchanges act of 1909, and by a French decree of 1911 establishing the conditions under which the more than 150 municipal labor exchanges of that country might share in the Government subvention. Without express legislative stipulation, representative committees have under the Wisconsin Industrial Commission become

an indispensable adjunct to the public exchanges in that State, and the New York State law of 1914 made them mandatory. By an error of judgment the British act provides that the committees must be appointed by the administrative head of the system, instead of being elected by the jointly interested groups themselves, and this error has been followed in the New York law. If the purpose of the committee is to inspire public confidence in the unbiased conduct of the office, it is evident that the representatives of both parties to the labor contract should be representatives indeed, elected by their constituencies, not "appointed from above."

Perhaps the most controversial point in the administration of the bureau is the policy to be pursued in times of actual labor strife, in the days of strikes or lockouts. The first Illinois law establishing State exchanges in 1899 was four years later declared unconstitutional because of the provision that applications for help to fill places vacant because of a strike were not to be received. Wisconsin had a similar experience. The healthy instinct of which this prohibitory clause was an unskillful manifestation has been satisfied in most American exchanges by publicity. The prospective employee is informed of the existence of the dispute at the same time that he is informed of the position, and it is left for him to decide whether or not to take the work. In Massachusetts it is even the practice in case of an industrial dispute to stamp the introduction card which the employee is to present to the employer with the words, "There is a strike on at this establishment." Under the publicity policy very few applicants take strike-breaking jobs. Employers and labor union representatives are thoroughly satisfied, and consequently the exchange escapes the rocks of disaster on either side. In the words of a resolution adopted by the First National Conference on Unemployment, these agencies must be held true to their character as belonging to the public and remain neutral in all trade disputes.

As an important corollary to this, there must be the further provision that no applicant is to suffer any disqualification or prejudice at an exchange if he refuses to accept an offered job on the ground that a strike or lockout exists or because the wages offered are lower than those current in the district for the same work.

Frequently the very man needed to fill a distant position is without the railroad fare necessary to reach it. This problem has been met in some European countries by advances of transportation in certain cases. In America only an inconsiderable number of the public exchanges make any such provision, although several of them act as intermediaries in turning over to applicants, under some system of control, the transportation advanced by prospective employers. Administrative officials of a Federal system will no doubt find it necessary to work out an adequate policy of handling such cases.

An important and delicate part of the work of an employment bureau system is the placing of juvenile workers in positions which are suited to their capacities and which will offer opportunities of development and advancement. Unfortunately, among American labor exchanges the possibilities and the duty of this sort of activity are all but unknown. One State, Massachusetts, reports making consistent effort in this direction, and the 1914 New York law devotes considerable attention to the matter, but elsewhere little or nothing

is done. This failure to respond to the opportunity to do constructive work is in painful contrast to the English system of close cooperation between labor exchange and school. In Edinburgh, under a special act for Scotland, a division of work has been arrived at between exchange and school by which the latter furnishes the advice and the former furnishes the information concerning situations; an officer of the exchange occupies a room in the school building to facilitate the transfer of information.

The New York State law provides that applicants between the ages of 14 and 18 may register at school on special forms, which, when transferred to the employment office, are to be treated as personal registration. The superintendent of the office and the school principal are to cooperate in finding suitable employments for children, and all this side of the work of the office is to be assisted by a special subcommittee on juvenile employment, consisting of employers, employees, and persons with knowledge of education or of other conditions affecting children. I believe there are great possibilities of cooperation between the school system which trains the child for work, the department of health which grants work permits, and the juvenile department of the labor exchange which furnishes knowledge of openings for fit employment. A Federal measure would be incomplete without some such provisions.

III.

A bill looking to the establishment for the United States of a system as here outlined was introduced in Congress on April 29, 1914, by Representative Murdock, of Kansas, and was at once referred to the House Committee on Labor. The bill provides for a bureau of employment within the Federal Department of Labor, under the direction of a commissioner of employment to be appointed by the President with the consent of the Senate. The original advocates of this legislation favored the creation of representative committees in connection with the offices, as previously urged in a report of the City Club of New York through Mr. Morris L. Ernst, chairman of the committee on public employment exchanges.

The House committee hearings upon the measure during June and July evoked widespread interest. Among the organizations whose spokesmen appeared in its favor were such representative bodies as the North American Civic League for Immigrants, the American Association for Labor Legislation, the American section of the International Association on Unemployment, the Brooklyn Bureau of Charities, the National Religious Citizenship League, the Conference upon Unemployment among Women, the Committee of One Hundred of Massachusetts, and the National Liberal Immigration League.

Action was repeatedly deferred, however, and the bill allowed to languish in committee to permit the Federal Industrial Relations Commission, which publicly announced that it had begun work upon the problem, to bring in a measure of its own, which it was felt would embody the results of wider investigation and more expert opinion. Commission hearings on the subject of unemployment were held in New York, Chicago, Seattle, and in other cities. Although the European war threatened a repetition of the wave of unemployment which caught the country napping in the winter of 1913-1914 the

expected measure did not materialize. When on October 24 Congress finally adjourned, both it and the commission had still failed to rise to the obvious emergency. A set of eight "Tentative proposals" were drafted by the commission and were widely circulated for advice and criticism, but as late as November 10 the statement was made that "the problem of revising this plan is now before the commission, but so far no action has been taken upon a revision."

Obviously this delay prevents the possibility of organizing a national employment bureau to meet the pressing need of the present year; but both Congress and its investigating commission should be spurred to some action without further costly delay.

The proposals as they stand are in most essentials practically identical with those of the Murdock bill, differing principally in greater amplification of detail which, in some instances, might better be left to the administrative officers, and in a few additions, the chief of which is the idea of district clearing houses which has been incorporated in the foregoing outline.

Important as an efficient nation-wide network of public employment exchanges is as a first step in solving the baffling problem of unemployment, the fact must not for a moment be forgotten that it is but a beginning of the whole solution. For the employable there must be in addition regularized business and adequate unemployment insurance such as Great Britain has already been farsighted enough to establish. To fill in the gaps caused by the uncontrollable fluctuations of private industry there must be some provision for public work of permanent value to the community. Finally, for the unemployable, there must be a wider development of the relief agency, the hospital, the reformatory, and the industrial farm colony.

But here and now the incontestable first duty of Congress with respect to the unemployment problem, which every one now sees lowering upon the country with the approach of bitter weather, is to enact an adequate bill for national labor exchanges.



Andrews, John Bertram
Labour exchanges.

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C.I.&W.
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DATE.	NAME OF BORROWER.
Oct 24/38	6. Murdoch Street

